



## Information on Unemployment Tax Rate for Calendar Year 2023

### Public Act 21-5

The method of calculating tax rates for tax years beginning on or after January 1, 2022, has been modified by Public Act 21-5 which mitigates the impact of historically high UI claims due to the pandemic. Under the law:

- UI benefits charged and taxable wages reported for experience years ended June 30, 2020 and June 30, 2021, will not be used in the experience rate calculation for tax years beginning on or after January 1, 2022.
- For new employers, statewide benefits paid to claimants and taxable wages reported for calendar years 2020 and 2021 will not be used in the new employer rate calculation for tax years beginning on or after January 1, 2022.

***What is the impact of Public Act 21-5 on my experience rating?*** Unemployment benefits paid to your former employees and your taxable wages for experience years ended June 30, 2020 and June 30, 2021, are not used to calculate any employer's experience rate.

***What is the impact of Public Act 21-5 on the state's new employer rate?*** The rate charged to new employers who have not participated in the system long enough to have their own experience rates will be calculated without regard to the benefits paid and the taxable wages reported during calendar years 2020 and 2021.

### Public Act 22-118

In addition to Public Act 21-5, Public Act 22-118 creates a temporary reduction of 0.2% in the state's new employer and fund solvency tax rates for calendar year 2023 only.

All employers (new and existing) will see a 0.2% reduction in their calendar year 2023 tax rate:

- The state's new employer rate, originally 3.0% for 2023, is reduced to 2.8%.
- The fund solvency tax, originally 1.4% for 2023, is reduced to 1.2%.

More information for employers can be found at [www.ct.gov/dol](http://www.ct.gov/dol)